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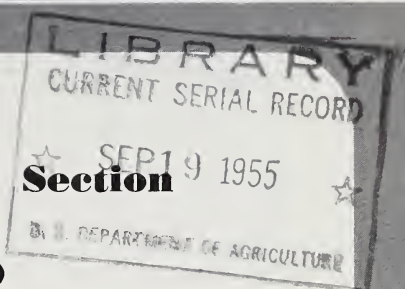
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Rural Lines

SEPTEMBER
1955

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Electrification Section



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A Message from the

ADMINISTRATOR

This is the time of year when we publish statistical tables and charts presenting the record of the fiscal year just closed. I have been looking over the record of fiscal 1955—July 1, 1954 through June 30, 1955—to size up our stewardship of the rural electric and telephone programs.

In the past year, funds have been loaned to bring electric service to more than 150,000 consumers. In addition, nearly a third of a million rural consumers will benefit from the loans made to 9 federated power-type borrowers for generation and transmission purposes.

You can add to this the thousands who are benefiting from loans for system improvements to bring them better service.

Futhermore, last year REA more than doubled its Section 5 loans, which are specifically designed to help individual farm families obtain the appliances and equipment necessary to their full and profitable use of electric power.

In the telephone program, the last fiscal year was the second highest loan year in the history of the program, and it was a record-breaking year in construction progress. Loan funds advanced to borrowers showed a 40% increase over the highest previous year. That is a good indication of the high rate of construction. Also, new records were set in miles of line completed and in systems and exchanges going into service.

When the construction to be financed by REA telephone loans made to date is completed, more than half a million rural families will have received modern dial telephone service.

In other words, in both programs the emphasis is on meeting the needs of people. That, as we see it, is how REA can best carry out its job and fulfill its responsibility.

A cursive signature of Arthur Nelson, written in dark ink. The signature is fluid and stylized, with the first name 'Arthur' and last name 'Nelson' clearly legible.

Administrator.



POWER AND THE PECOS

Judge Roy Bean has come down through history as "the law west of the Pecos." He meted out stiff penalties by flickering candlelight in his little clapboard saloon at Langtry, Texas.

He never lived to flip a switch in his court, nor see how electricity changed things in Langtry.

But some of the Judge's old friends and the newcomers who settled in the Rio Grande, Pecos and Devil's river country after the War, have watched the lines of Rio Grande Electric Cooperative touch off a series of new developments.

From his headquarters in Brackettville, Rio Grande's manager, Thomas J. Hurd, has had a lot to do with shaping the modern era in West Texas. Under his guidance the co-op has used its \$5,335,000 REA loan to light and power the homes and farms of some 1,400 rural families, step up irrigation pumping and farming in the fertile "winter garden" section, energize Big Bend National Park and open the way for profitable mercury mining and possibly uranium operations. All this has been accomplished with an electric

system set up and run by the people themselves.

You get an idea of how thoroughly electrified the wide open spaces of West Texas are becoming by glancing at the co-op's power consumption of 1,750,000 kwh monthly. For several years Rio Grande has led Texas borrowers with its monthly mark which now averages 1,254 kwh per meter. Last year the co-op ranked among the top 10 Texas borrowers in revenue.

But even as good as consumption appears now, next year's load is expected to show a sizable bulk gain of some 18 million kwh from expanded irrigation pumping. The way things look today, Rio Grande's goal of a 3,000-meter system and 5,000 miles of line in its 80,000-square-mile service area is not too far off.

Rio Grande directors and members are proud of the role their cooperative has played in development of Big Bend National Park, a 692,300-acre natural wonderland that attracted more than 150,000 tourists last year. The park's 73 meters use 100,000 in an average month, a figure that should show

a good increase when the records are in for this summer's new pumping facilities.

A 3-phase line serves the area at Boquillas, which was once the northern terminus of the Spaniards' Mexico City-to-Texas silver ore wagon trains.

Now that adequate access roads are in and electric power is handy at the park, there are good prospects that 5 of 8 mercury mines active during World Wars I and II may reopen. Operating around the clock, the mines would each use around 300,000 kwh per month. Tests are under way to determine whether it would pay to develop known uranium deposits in the area.

Rio Grande's electric contract with Big Bend National Park made it feasible to finance extension of lines to Brewster county and thus serve 40 ranchers there years sooner than would have been possible otherwise.

Manager Hurd estimates that together the Park and mines will use around \$100,000 to \$120,000 worth of electricity a year.

Electric pumping for irrigation in the productive winter garden sections of Dimmit, Maverick,

Zavala and Uvalde counties has been a boon to vegetable and citrus fruit growers. The co-op has assigned 3 of its staff to work with producers and to repair and maintain lines.

Three hundred electric pumps in the 30,000-acre irrigated area operate the year around and each consumes an average of 50,000 kwh a year. Some farmers near Carrizo Springs, Crystal City, Eagle Pass and Uvalde use 4 to 12 pumps, ranging in size from 20 to 125 hp.

A promising new irrigation field is developing near Guadalupe Peak in the Dell City section where cotton is the main crop and many irrigation wells produce 5,000 to 7,000 gallons per minute.

Co-op linemen will connect 119 new pumps this year and 100 more will be installed in the next few years. Many of the new pumps going in are 125 hp or more with an overall average of 75 hp. With pumps averaging 130,000 kwh a year, it's easy to see how consumption in the Guadalupe section may go as high as 18 million kwh a year. With cotton running 3 bales an acre under irrigation, farmers stand to reap



Judge Bean's place is a Texas landmark today. Pole and lines in background bring electric service from the Rio Grande Electric Cooperative.

good returns from their electrified pumping units.

What's the story behind those 18 million kilowatt-hours?

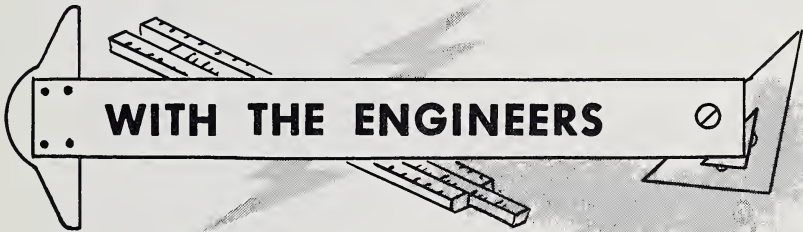
"It boils down to this," says Mr. Hurd. "A good share of the farmers in the winter garden and Guadalupe sections are grads of agricultural colleges and know what is best for their acres. Most of them were pretty well sold on irrigation.

"Our men won the confidence of the farmers by assuring them of good, reliable, year-around electric service. We told them that adequate voltage would be available at all times and that lines and pump connections would be kept in top working order. We also helped them pick the right kind of pumping system to fit their needs.



Manager Hurd uses 2-way radio to keep tab on operations in co-op's 80,000-square-mile service area.

"We believe we put more load on the line by selling co-op service than by trying to talk farmers into irrigation pumping."



The electric industry has invested about \$500 to serve each consumer. Each consumer in turn invests a minimum of twice that amount in wiring and appliances to utilize the electric service. The average farmer invests between 4 and 5 times as much as it costs to bring him service.

• • • • •

Your food bill for a year will be many times the amount you spend for electricity, yet your electricity is measured with less error than

is possible for weighing your groceries. Your meter is accurate within 1 percent while a good scale may vary 2 percent from absolute accuracy.

• • • • •

Kilowatt-hour losses in distribution transformers are one-half the system losses. Oversize transformers are doubly costly. When you repair and convert a transformer it should be as good as a new transformer and pass the same tests.

BUY A NEW CLOTHES DRYER NOW ... and we'll GIVE YOU 6-MONTHS ELECTRICITY FREE!

BUY A NEW CLOTHES DRYER NOW ... and we'll GIVE YOU 6-MONTHS ELECTRICITY FREE!

IT'S FREE! Six Months' Electricity for Your New Automatic Electric Clothes Dryer

SAY GOODBYE to a back-breaking job!

Codington-Clark Electric Co-op
WATERTOWN, SOUTH DAKOTA

PRESTONE
Standard
AUTOMATIC
DRYER
Only \$189⁹⁵

Firestone
The New Heavy Duty
When You Buy a
AUTOMATIC WASHER
\$219⁹⁵

DRY A BIGGER LAUNDRY LOAD - FASTER - MORE EASILY -

SOUTH DAKOTA
IT PAYS TO ADVERTISE

Kenmore DRYER
\$199⁹⁵

DAVEY FURNITURE CO.

10 DAY FREE TRIAL

DUN-DEE STORE

WATER TOWN'S Leading Appliance Dealer

DRY THEM QUICKLY
SAFELY & ECONOMICALLY
IN ONLY 10 DAYS!

BENDIX DUOMATIC
\$199⁹⁵

FREE 6-MONTHS ELECTRICITY

WORK-SAVING CLOTHES DRYER!

See The New 1955

Eye-catching newspaper advertising by dealers plus business getting sales techniques paid off last year in a 15 percent increase in kwh consumption for Codington-Clark Electric Cooperative, Watertown, S. Dak. The load increase added up to a \$25,000 income gain for the 12-month period.

A big assist in this came from the local newspaper, which promoted an aggressive advertising campaign pitched to seasonal household appliances.

Sixty clothes dryers were sold last year due mainly to this joint effort and 26 freezers were sold last summer with the same type of merchandising.

Manager John Fritz gives the newspaper's crack advertising salesman credit for many of the sales.

"We got the paper interested in going after electric appliance ad business," explains Mr. Fritz. "Their ad salesman simply took things from there. He spent several hours with us learning about

power use and our co-op's operations. Then we worked out a plan to interest our members in buying more appliances. We backed up the newspaper and dealers by offering various sales incentives, free electricity for one.

"Some 14 individual appliance dealers took ads in the paper's initial dryer sales promotion. Our own ad told about the handiness and utility of dryers. This was supported by a message carried across the top of the full-spread two-color ad layout which read, 'Buy a New Clothes Dryer Now ... and We'll Give You 6-Months' Electricity Free.'

"So far, 5 separate appliances have been promoted in this way. And each time our co-op offered some inducement to members. For example, we offered member-buyers of freezers and ranges an expense-free trip to the Fort Randall dam in southern South Dakota. Nineteen couples made the trip.

"Another thing, we kept telling members about our free electric-

ity offer and other inducements in spot announcements over the local radio program sponsored by East River Electric Power Co-operative. We also helped the merchandising of appliances with stories in attention-getting space in our co-op paper, 'Watts News.'

"The essay contest we put on for high school students last summer, along with the manufacturer's selling techniques, resulted in sale of 75 water systems. Students wrote on the subject, 'Advantages of an Electric Pressure Water System to My Family and Farm.'"

Codington-Clark also aims to interest its members in other electrical household and farm equipment, such as heaters, grinders, grain handling systems, ventilation, brooders, and silo unloaders.



Miss Lois Wika and Manager Fritz look over food freezer displayed in co-op office to interest members.

An all-electric kitchen, near the entrance to the co-op's headquarters in Watertown, is another step in the plan to encourage member interest in household appliances.

The co-op offers technical consulting service to members and helps farmers pick the equipment best suited for their needs. Farmers are also given help in working out their home and farm wiring problems.

Not long ago the co-op contacted lumber yards and suggested that they rent ready-made septic tank forms to farmers. Farmers can now build their tanks more cheaply.

The co-op's power use adviser, Laverne Marquardt, spends a good share of his time talking to farmers and answering questions about electric appliances. Generally, he averages 50 or more field calls a month. Power use planning is coordinated with activities of the county agents.

It's an Ill Wind—

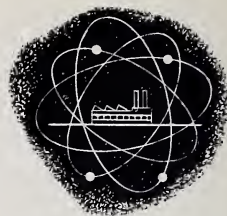
South Dakota has tornados, too. When a twister wrecks farmers' windmills, dealers are quick to point out the advantages of pressure water systems and electrically operated pumps.

Some months ago, Laverne Marquardt, power use adviser, looked out the window during a storm and saw his car. He was sure he had parked it in the garage. He looked again. The car was still there.

It was the garage that was gone.

To help its members "go modern" the P.K.M. Electric Co-operative of Warren, Minn., has available 4 sets of septic tank forms which can be used to build 1,000-gallon tanks. No charge is made for their use, but the co-op requests 2 weeks' advance notice.

Facts About Atomic Power



Do you know?

. . . That 1 pound of uranium—a piece no larger than a golf ball—if fissioned completely can produce as much energy as $2\frac{1}{2}$ million pounds of coal.

. . . That the energy bound up in a 1-pound ingot of natural uranium will represent about 3-million kilowatt hours of electricity.

. . . That 400 to 500 pounds of natural uranium could provide all the electric power currently used in the United States, assuming that complete fission could be achieved.

. . . That in a reactor designed for the purpose, uranium can be handled so as to breed more fissionable material at the same time it is furnishing heat. In this respect, uranium has a potential which conventional fuels do not possess.

. . . That supplies of uranium ore to satisfy our power requirements for several centuries are known to exist, but we have yet to learn how to predict systematically and reliably where the high grade deposits are located.

. . . That we are only now at a point in the Atomic Age comparable to that reached by the cave-man who discovered that he could make fire by rubbing 2 sticks together, and who went on to dig a pot hole in the floor of this cave

and chisel out a smoke hole in the roof so he might warm himself and cook his food. It took thousands of years before his descendants learned to put that heat through engines to drive their trains, ships and planes and do all the multitude of things that we now perform with the relatively feeble energy of the chemical reaction we know as fire.

. . . That the feasibility of using the great heat generated in atomic fission to make steam, which is in turn used in turbo-generators to produce electricity, was given a practical demonstration by the Atomic Energy Commission as long ago as December 1951, using a small pilot-type reactor of the experimental breeder design.

. . . That in 1947 not more than 50 people were working on the problems of atomic power in this country, as compared with some 5,000 scientists and engineers working on atomic power problems today. Even so, this number represents only a small fraction of 1 percent of the total number of engineers and scientists in the country.

. . . That one of the biggest problems in atomic power development is that of technical manpower.

REA Interest Rates, 1936-1954

In the early days of the REA program, the interest rate varied. Since 1945, it has been fixed by law at 2 percent. The following table shows the REA interest rate year by year compared with the rate of interest paid by the Treasury each year on marketable securities.

Fiscal Year	Interest Rate Charged By REA on New Loans	Computed Annual Interest Rate on Marketable Treasury Issues
1936	3.00	*
1937	2.77	*
1938	2.88	*
1939	2.73	2.525
1940	2.69	2.492
1941	2.46	2.413
1942	2.48	2.225
1943	2.57	1.822
1944	2.67	1.725
1945	2.00	1.718
1946	2.00	1.773
1947	2.00	1.871
1948	2.00	1.942
1949	2.00	2.001
1950	2.00	1.958
1951	2.00	1.981
1952	2.00	2.051
1953	2.00	2.207
1954	2.00	2.043

*Comparable data for years 1936-1938 are not available.

The Freeborn-Mower Cooperative Light and Power Association of Albert Lea, Minn., takes understandable pride in the part it has played in making dairy farming a thriving enterprise in the 2 counties it serves. Electric service, for example, has enabled Member Joe Mandt to install the modern equipment needed for Grade A milk production. Mr. Mandt says the cost of his 250-gallon bulk milk cooler and other equipment will be paid for in about 18 months with the increase in price he receives for Grade A milk.

Cotton Electric



Nets Load Gains

Year-round power use planning geared to making the most of load-building opportunities has helped Cotton Electric Cooperative of Walters, Okla., fill in its consumption "valleys" and get more appliances on the line.

Manager Don Dage says Cotton simply put on its "thinking cap," took a good look at the average member kilowatt-hour usage, decided it could do a lot better.

The co-op serves some 7,700 consumers along 3,333 miles of line in Tillman, Commanche, Cotton, Stephens, Grady, Jefferson and Caddo counties in southeastern Oklahoma. Cotton has received 13 REA loans, which total \$5,582,000, to meet the electrical needs of rural residents in the fast developing area.

"Our power use plans," says Mr. Dage, "have worked because our entire staff of 62 employees teamed up to improve member relations. Our board feels that workers should be trained to assist members and have a share in co-op activities. We operate as an organization of specialists. Each one on our staff has a job to do and does it."

Mr. Dage explains that the co-op has had good results from using sales incentives in appliance promotion. For example, Cotton helped dealer appliance merchandising by making free range installations and selling material at cost.

When dealers launched a home freezer sales drive, Cotton backed them up by offering to deliver 50 free packages of frozen foods to the home of each new freezer buyer. This incentive idea helped dealers sell a good many freezers. It helped Cotton, too, because it gave the co-op's staff members a chance to talk over wiring and appliance problems with farm families.

When new television stations opened for business, Mr. Dage and his staff lost no time in tying in the co-op's incentive program with dealer TV promotion plans.

The co-op supported dealer selling techniques by helping the **WALTERS HERALD** publish a special TV edition. Co-op advertising announced that members could win a free TV planter lamp or electric popcorn popper by buying a TV set and answering a newspaper survey question-box

and a general quiz on co-op aims and activities. Co-op employees helped dealers by demonstrating various TV models at 5 district meetings.

The combination of co-op sales strategy plus dealer advertising netted a total of 600 TV sales during a 6-month period. A spot survey made at the close of the contest showed that 80 percent of the co-op's consumers had TV sets.

Cotton makes it a point to balance its incentive buying program with dependable consumer service.

Says Mr. Dage, "We believe it isn't enough to plan and get a lot of new appliances in farm homes. Our first job is to provide good electric service to our members. We don't think it's fair to let them down and go all out for new business. Our present consumers come first, new business next. Right now we're right up to date on connects and we have no applications on hand."

The co-op's power contracts with oil companies have added good load, too. Some 1,300 well pumps in a paying Oklahoma oil

field are connected to the co-op's electric lines.

Clyde Goode, office manager, V. L. Jennings, chief engineer, and Eugene Wetzel, meter and transformer superintendent, have shouldered much of the job of training and instructing co-op employees and members.

Last year, Mr. Wetzel looked after his own shop job and found time to put on some 300 demonstrations before schools and civic organizations on accident prevention and safe use of electricity. He also presented the same type of program on TV.

Thirty home wiring demonstrations he made at community meetings paid off in many calls from consumers for wiring inspections and change-overs. Appliance survey cards people filled out at the meetings produced some interesting facts. Often a member would note he had from \$1,000 to \$2,000 worth of appliances and shop equipment in use—all plugged in on 2 circuits when 6 to 8 circuits were needed. Mr. Wetzel explained that it was dangerous to have many appliances and a makeshift wiring job.

Manager Dage wants his employees to have the answers to the questions consumers are asking about rural electrification. For one thing, workers are encouraged to attend district and annual co-op meetings. Office employees take to the field to see the outside plant crew handle line work. Key personnel have attended national training meetings; co-op engineers, construction and maintenance specialists are sent to national safety meetings each year, and office employees semi-annually go to accounting schools.



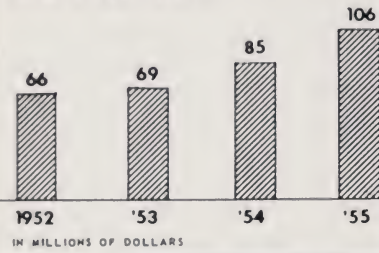
Left to right: Clyde Goode, office manager, V. L. Jennings, chief engineer, and Eugene Wetzel, meter and transformer superintendent, team up to get more load on the lines.

ANNIVERSARY LO

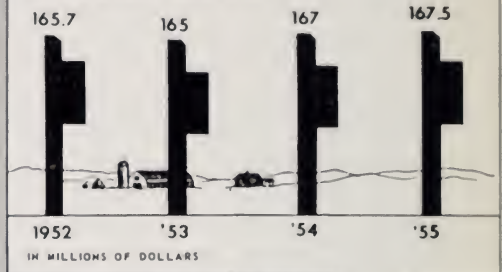


ELECTRIC PROGRAM

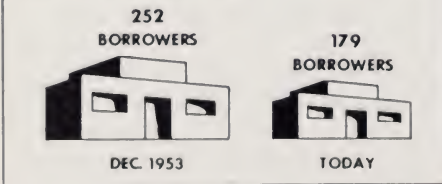
PRINCIPAL AND INTEREST PAYMENTS
SHOW STEADY RISE



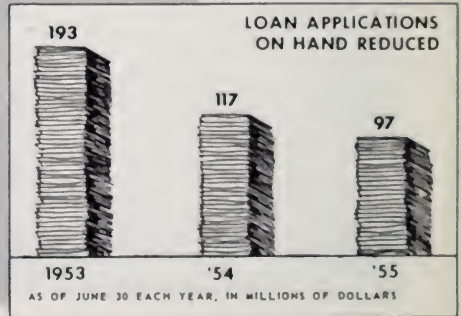
LOANS MAINTAIN PACE



DECREASE IN BORROWERS WITH
INADEQUATE MARGINS



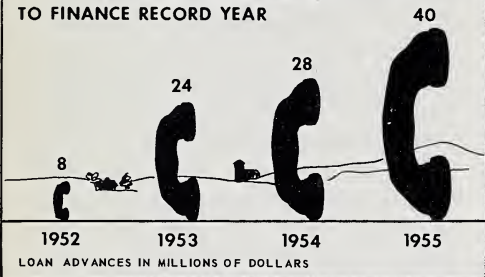
LOAN APPLICATIONS
ON HAND REDUCED



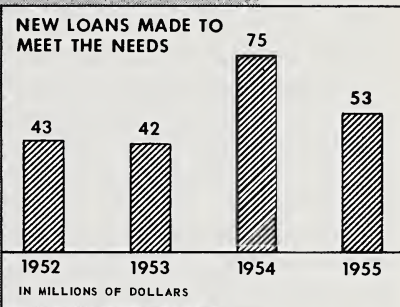
K AT REA'S PROGRESS

TELEPHONE PROGRAM

BORROWERS DREW MORE MONEY TO FINANCE RECORD YEAR



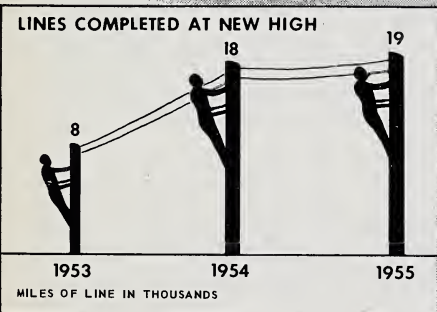
NEW LOANS MADE TO MEET THE NEEDS



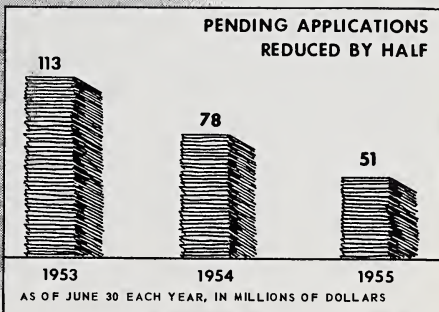
CONSTRUCTION

LOANS

LINES COMPLETED AT NEW HIGH



PENDING APPLICATIONS REDUCED BY HALF



PIONEER

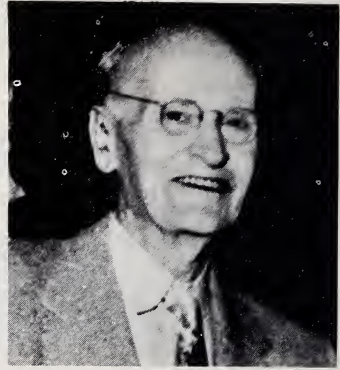
Smith Taylor, tall spare, sharp-eyed and 83, sits quietly in the board meetings of Lane County Electric Cooperative each month without saying much while the others argue over rates, expenses and all the usual co-op problems. If the argument grows long, Mr. Taylor will speak up. He doesn't argue—he just makes a motion. Usually, that does it.

In Eugene, Ore., Smith Taylor is Mr. Co-op.

Born in Sullivan County, Mo., he started West with his parents when he was 7. They tarried in Kansas a while, and arrived in Oregon in 1888 when young Smith was 15.

"I grew up in Oregon's coast range mountains, started a family, farmed and logged," Mr. Taylor says. "In 1908 I went to work for the Forest Service in the ranger station near McKenzie bridge. Kept at it until I retired in 1935. Many years of my life were spent in areas without electric power."

By 1935, Mr. Taylor and his neighbors began looking for a way to get electric service. They tried to form a Public Utility District but the territory involved was too small to meet necessary requirements. Finally, they got



Smith Taylor

in touch with REA and the late George Lewis showed up one day to tell them what to do.

The first sign-up brought 150 signatures. Soon they had 200 and the first loan of \$50,000 was approved. From then on, says Mr. Taylor, there were many ups and downs.

Mr. Taylor has held about every office the Lane Electric offers. Three years ago the members celebrated "Smith Taylor Day," and presented him with a plaque which says in part:

"For his gallant spirit and determination, responsible for keeping alive the feeble pulse of the little cooperative during its early days, the Lane County Electric Cooperative board of directors, its employees and its members, hold Smith L. Taylor in the highest esteem and affection. . . ."

The persons to whom we have been "pointing with pride" are people who have played a key role in bringing rural electric service to their own communities, helping their unserved neighbors benefit from the time, labor and money saving service of electric power. We know there are many others who have worked unselfishly for the good of all, but we have to depend upon our readers to single them out for us. If we have not yet cited someone in your state, perhaps you could help us by sending in suggestions. Write The Editor, RURAL LINES, REA, U. S. Department of Agriculture, Washington 25, D. C.

THE LINEMAN



Training School Honors LaMaster

The Frank LaMaster Hot Line Maintenance Training School at the Southern Illinois University, Carbondale, Ill., was dedicated on June 27, in memory of REA's former Job Training and Safety Engineer.

The school marked the beginning in Illinois of hot line maintenance training as a regularly scheduled course of instruction in classroom and field.

In the printed program, this

tribute was paid to Mr. LaMaster: "Frank LaMaster contributed much to the organization of a national safety and job training program for electric cooperatives, and to the organization of this hot line maintenance training school. It is only fitting that we gathered here should dedicate this school to the man who has contributed so much to the welfare of the employees of all rural electric cooperatives."

Texans House Hot Sticks In Waterproof Trailer

Lighthouse Electric Cooperative, Floydada, Tex., has a waterproof trailer for housing hot sticks and equipment used in handling hot lines. The trailer was built by one of the co-op's shop men, Bill Hulsey, and cost about \$125 for materials.

Manager Melvin Henry explains that the trailer keeps change-out equipment dry and ready for use. The unit, which is easily moved from place to place already has proved a definite help in keeping lines open and in preventing outages.



Bill Hulsey, left, and Manager Henry examine trailer designed for hot sticks.

The National REA Job Training and Safety Conference is scheduled for September 12-16, 1955, Brainerd, Minn. Headquarters will be at the Grand View Lodge.

Alabama Company Adopts Innovations

You may think of the deep South as the sleepy-time place they describe in historical novels. Well—hold on to your hats, the Gulf Coast part of the South “has riz again”.



Part of the outside plant training for women includes checking lines.

Some 50 miles outside Mobile, Ala., where the map shows a finger of land wetting itself in the Gulf of Mexico, The Gulf Telephone Company, Foley, Ala., is in the process of changing just as the economy of the area is in transition.

This Independent telephone company, an REA borrower, has adopted the following:

- (1) Women climb poles, drive trucks and install telephones;
- (2) New construction and installations will include dial conversion, subscriber carrier, mobile dial radio-phone, and inter-toll carrier between exchanges;
- (3) A subscriber committee has a voice in shaping company policy; and,
- (4) A planned public relations program which is keeping subscribers informed of what is happening.

They have no hesitation in departing from custom or tradition if they think they can see a better way of getting things done.

Take the matter of women, for instance. When a girl gets a job at the Gulf Telephone Company, she understands that part of her training involves knowing everything there is to know about the operation of a rural telephone system. She drives trucks, operates a tractor, learns first aid, climbs poles and installs telephones. One day a trim little



Construction for placing conduit must be engineered to last for many years. Here concrete is being poured in trench. Next, conduit tile goes in, properly aligned with steel pins, joints taped, and concrete covering poured. Then cable is pulled through the ducts.

Southern belle is tapping the keys on a typewriter. The next day, in blue jeans, she's pushing a truck down a dirt road.

As part of her first aid course she goes to a slaughterhouse to get accustomed to the sight of fresh red blood. Someday she may be called upon to help save a life in an emergency. She learns to use a rifle and a pistol and develop the confidence needed to master unusual situations.

Her pay? Depending on her aptitude and competence, the same rate as a man.

Manager John Snook says, "We started training girls in outside work around 5 years ago during the Korean emergency. We had a few things in mind. First, we wanted trained employees for emergency duty in event a major

war should take all our manpower. Continuity of communications would be most urgent in such a crisis. Second, we thought that the technical skills of women had never been fully appreciated. In work like telephone installation, they are outstanding employees.

"And look at it this way. A girl out on the line gets experience first hand. When she comes back to an office job she can understand trouble and give intelligent help. Our girls don't do the lift-and-grunt jobs but they can do just about anything else. We are pleased with the way the program has worked. At least one other Independent telephone company has borrowed the idea and they, too, are happy with it.

"The way I see it, this section around here is actually frontier country, some of the last in the United States. Farm women drive trucks and tractors and work with



President Ward M. Snook (standing) confers with office staff.

their men just as in any new country. You see instances where a man and wife clear the pine, grub the stumps, get a bumper watermelon crop and pay for their land in 2 years."

And the girls, what do they think of it?

"Just wonderful," one of them said. "It means a lot to be given training and then responsibility. You can talk the telephone language and know and understand how the team operates."

The subscriber committee is another Snook family innovation which is fast proving itself.

President Ward Snook puts it this way: "A man in this industry always needs to remind himself that the words 'public utility' mean just what they imply. Since we must serve the public, the public has a right to have a voice in what we do and how we do it.

"Our subscriber committee was formed in 1953. We meet with it quarterly. Committee members speak their minds without restraint. To our way of thinking, it is a way of keeping a natural monopoly democratic in its attitudes.

"Eventually this committee may be a step in the direction of partial subscriber ownership. If my son and I were out of the picture we would want the employees and the people we serve to have a voice in the direction and operation of the system.

"Make no mistake. We are as zealous defenders of the private enterprise system as you will find. But we have a community responsibility to fulfill. The people here supported us when times were hard. We could not, in good

conscience, let them down when things looked better."

Construction and public relations are closely related. The subscriber committee does much to help keep the public informed and newspaper advertising does the rest.

At least once each 3 months, during the construction and expansion period, the company buys a full page of space in the FOLEY ONLOOKER. The layout includes 10 to 12 photos with adequate caption material.

Readers are told that when construction is completed there will be 8 unattended dial exchanges and that the system will use some of the most modern telephone techniques.

Shortly after cutover, the company expects to add about a thousand stations.

In this rapidly growing area, farming, fishing and tourists are major industries. All require speedy and dependable communications. Their toll call requirements, on the basis of present experience, are expected to be so great that the company will keep all of its switchboard operators.

"We have had a pleasant relationship with REA," says President Ward Snook. "All of my professional life has been as a utility engineer in the electric and telephone industries. We have had a stake in this system since 1929 and have operated it personally since 1942.

"We can talk to REA and be listened to with courtesy. If we can show that our ideas have merit, REA gives us the go-ahead. And that's a good way to do business."

DIAL SERVICE REPLACES

STORM-WRECKED SYSTEM

One blustery winter day in February 1951 a heavy sleet storm knocked out the half-century-old telephone lines of the systems serving Alexandria, Tenn., and its nearby area.



Manager Hildreth studies overloaded pole to be replaced in process of rebuilding and modernizing system.

Today, subscribers of the DeKalb Telephone Cooperative will tell you that February storm did them a favor. For the storm was one of the chief reasons the people, aided by the DeKalb Lions Club, organized and built their new, up-to-date telephone system.

"Only one telephone out of 200 was operating the day after the storm," according to W. Clay Avant, president of the new cooperative. "Everyone pitched in as usual to put things in order. But when the immediate repair job was done, subscribers made it clear that they wanted top service from then on.

"We couldn't see how we were going to pay for a new telephone system until a farmer read about REA lending money to improve rural telephone service. The idea sounded good to many of us, so we held a meeting and picked 3 of our number to go to Washington and get the facts.

"When the committee returned home and told what the REA loan would do for us we lost no time in telling the people about it. Then we elected a board of directors and worked out plans for a new system."

That is when the DeKalb County Lions Club stepped in to help. What looked like an almost

insurmountable problem levelled off when the Lions Club took over the area-wide canvass and equity sign up as a club project.

A look at what this civic group did to help bring better telephone service to DeKalb County shows what can happen when an enthusiastic local organization takes on this kind of community project.

Mr. Avant, an active member of the Lions Club and chairman of the drive, organized club members and rural residents into 2-man sign-up teams. Each team was given a group of names, made house calls, and then reported results back to Mr. Avant. If there were any hesitant potential subscribers in a group, a second call was made by a different team. In one case, it took 5 couples, calling in turn, to convince a man that he should sign for service.

"We simply told people that they couldn't afford to be without good telephone service," Mr. Avant says. "Our teams explained that it was the subscriber's civic responsibility to work for a new system and that things boiled down to progress or else.

"Instead of brushing us off with a 'Let George do it' reply, people seemed eager to do their share. Soon our proposed telephone system was the main topic in our area. News of the new system spread like chain lightning from community to community. Five mass meetings which we held in the area also helped us get the project rolling. People went around signing up each other and collecting equity payments. With such wonderful cooperation, it's no wonder we got a good sign-up of subscribers."

DeKalb's first cutover to dial service was celebrated in December 1953 with the opening of automatic dial service to some 205 subscribers in the Alexandria area. Today this exchange is only 54 subscribers short of its 5-year goal.

Temperance Hall exchange, an area with no telephone service for 15 years, was cut over soon after with 102 subscribers. It has also increased its subscriber total well above early estimates and is now nearing its 5-year goal.

Liberty exchange, which had practically been without service since the devastating snow storm of 1951, was also cutover in December 1953. From 202 subscribers at that time it now has grown to serve 254 subscribers.

Manager E. D. Hildreth says that today the system is serving 615 subscribers over 158 miles of new and improved telephone line. He also reports that plans are being considered to extend the service area and serve around 2,000 more subscribers.

"We've got a long way to go before our telephone system is complete," Mr. Hildreth points out. "But it certainly makes us feel good to hear dial users say their new automatic service is one of the best things that has come to their community. When folks tell us that, we know we're helping them."

REA telephone loans for the first 6 weeks of the new fiscal year beginning July 1, 1955, amounted to \$7,407,000. This is above the amount loaned in the first 6 weeks of any previous year since the telephone program started.

Magneto to Dial

You could never imagine the problems of the operator of a small rural telephone system; you have to experience them to make them have meaning." So says Floyd Reyher, manager of the Haxtun Telephone Company at Haxtun, Colo., and a member of the board of directors of the Rocky Mountain Telephone Association.

The Haxtun area in the northeastern corner of the state is broad, rolling plains country, sloping down from the massive ranges of the Rockies. For the most part, farms are large and irrigation is just getting under way. Oil drilling activity nearby is a lively subject of conversation but many farmers would prefer water to petroleum.

The Haxtun telephone system is just getting ready to go into the construction stage to modernize its existing facilities and extend its service. It now serves 690 stations over 180 miles of line. Employees include 8 operators, 1 bookkeeper in the office and 1 lineman.

"I think I can see my way out now," says Mr. Reyher, "but it has not been easy. I came to this town of a little over a thousand population because I like small-town life and I like rural people. But there have been times when my self control was really tested.

"Like all telephone people operating a rural system of this size, I appreciate that people are en-

titled to the best possible telephone service. The great technical advances of the industry in the past few years and those in the immediate future make it imperative that people have the kind of telephone equipment and service that permits them to take advantage of developments such as nationwide subscriber toll dialing.

"Our problem was how to get this service to the people. A small system such as mine, even though it has good prospects for the future, faces many obstacles in getting conventional financing. The transition from magneto to unattended dial for an entire system is a pretty big deal.

"When we saw a prospect of REA financing, we were caught between two pressures. On the one hand people wanted better



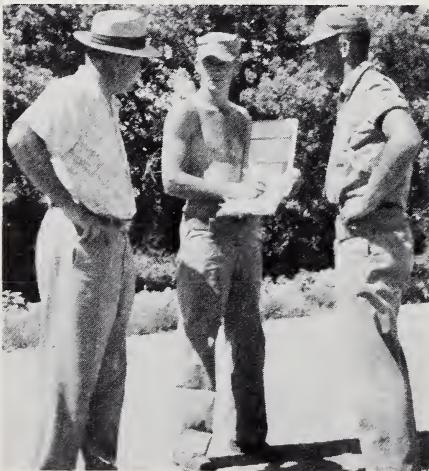
Manager Floyd Reyher (left) and Bud Grimm of the staking crew get line construction underway.

and modern service. But at the same time there was a certain resistance to the loss of the informality of the country line and the additional cost of service to our subscribers.

"Believe me, I had to have the answer to every question in the book at the neighborhood meetings where I sold preferred stock. I had to sell myself and modern telephone service at the same time.

"Thank goodness, we are looking ahead now to the future and not so much back to the past. But there are some things probably that will always stick in my memory. The one thing, I guess, that bothers most is wanting to improve service and not being able to do it.

"The telephone man in a small town and rural area just has to realize that he is a natural target. When my skin was thinner I had some pretty bad times when critical subscribers started blowing their tops.



Left to right: Mr. Reyher, Harlen Robinson, and Gene Shanneys study staking sheet.

"Under our circumstances, the prospect of REA financing was a bright ray of hope. It was a long and sometimes frustrating period between loan application and the point where we could start buying poles, but it was worth it. Forms and procedures were new to us. We made mistakes and there were misunderstandings.

"But the tough part is over. People are getting more and more interested as they see signs of construction. Some of our operators will stay with us in other jobs required to continue operation after conversion. The others say conversion to automatic dial service gives them a good reason to stop being career women.

"I look forward to spending the rest of my days here operating a modern telephone system the way I would like to see it run.

"I appreciate that, because REA operates on a national basis, it needs certain restrictive policies and procedures but as more experience is developed I hope we can work out more hand-tailored programs for small systems such as we operate."



Seven REA borrowers cut over 14 exchanges between July 28 and August 12, 1955. They are the Cream Valley Telephone Co., Hawkins, Wis.; Farmers Telephone Cooperative, Kingstree, S. Car.; West Carolina Rural Telephone Cooperative, Abbeville, S. Car.; Elmore Telephone Co., Brownsville, Ky.; Ballard Rural Telephone Cooperative, La-Center, Ky.; Dakota Cooperative Telephone Co., Irene, S. Dak.; and Hill Country Telephone Cooperative, Ingram, Texas.

**Electric and Telephone Loans Approved by REA,
by States, During 1955 Fiscal Year**

Electrification			Telephone		
	No.	Amount	No.	Amount	
Alabama	9	\$ 5,538,000	3	\$ 805,000	
Arizona	—	—	—	—	
Arkansas	24	8,617,000	4	1,948,000	
California	3	6,371,000	1	20,000	
Colorado	14	21,146,000	—	—	
Connecticut	—	—	—	—	
Delaware	1	490,000	—	—	
Florida	11	3,610,000	3	3,939,000	
Georgia	19	7,995,000	9	3,616,000	
Idaho	3	370,000	2	527,000	
Illinois	11	4,802,000	7	2,491,000	
Indiana	13	3,449,000	3	692,000	
Iowa	17	9,986,000	5	1,289,000	
Kansas	17	6,876,000	10	3,895,000	
Kentucky	9	3,820,000	5	2,001,000	
Louisiana	9	4,695,000	8	1,829,000	
Maine	1	157,000	5	1,289,000	
Maryland	1	500,000	—	—	
Massachusetts	—	—	—	—	
Michigan	5	1,070,000	—	—	
Minnesota	17	6,576,000	6	1,959,000	
Mississippi	7	3,705,000	3	413,000	
Missouri	13	6,980,000	11	4,302,000	
Montana	8	2,461,000	3	784,000	
Nebraska	2	222,000	—	—	
Nevada	—	—	—	—	
New Hampshire	—	—	—	—	
New Jersey	1	138,000	—	—	
New Mexico	9	2,581,000	2	525,000	
New York	2	151,000	—	—	
North Carolina	14	2,650,000	5	1,323,000	
North Dakota	7	2,038,000	5	5,426,000	
Ohio	4	1,415,000	—	—	
Oklahoma	9	5,159,000	2	564,000	
Oregon	2	525,000	3	343,000	
Pennsylvania	2	1,975,000	2	1,664,000	
Rhode Island	—	—	—	—	
South Carolina	9	2,690,000	5	1,158,000	
South Dakota	9	2,254,000	4	1,767,000	
Tennessee	7	4,370,000	5	2,200,000	
Texas	31	14,547,000	7	1,908,000	
Utah	1	1,200,000	2	111,000	
Vermont	2	101,000	1	146,000	
Virginia	8	4,200,000	2	727,000	
Washington	6	1,727,430	5	834,000	
West Virginia	1	192,000	1	353,000	
Wisconsin	5	632,000	6	1,086,000	
Wyoming	3	2,525,000	—	—	
Alaska	2	400,000	2	686,000	
Hawaii	—	—	—	—	
Puerto Rico	1	6,624,000	—	—	
TOTAL	349	\$167,530,430	147	\$52,744,000*	

*Includes upward adjustment of previous allocations amounting to \$124,000.

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PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300
(GPO)

LOANS APPROVED JUNE 18 THROUGH JUNE 29, 1955

ELECTRIFICATION

\$1,075,000	Black River Electric Co-op Ironton, Mo.	50,000	North Star Electric Co-op, Baudette, Minn.
380,000	Baldwin County EMC, Robertsdale, Ala.	250,000	Wasco Electric Cooperative, The Dalles, Ore.
443,000	Nobles Cooperative Electric, Worthington, Minn.	925,000	Caney Fork Electric Co-op, McMinnville, Tenn.
700,000	Community Electric Cooperative Windsor, Va.	270,000	Erath County Electric Co-op, Stephenville, Texas
50,000	Davidson Electric Membership Corp., Lexington, N. C.	420,000	Green River Rural Electric Co-op, Owenboro, Ky.
680,000	The Sekan Electric Cooperative, Girard, Kans.	532,000	Arrowhead Electric Co-op, Lutsen, Minn.
375,000	Big Sandy Rural Electric Co-op, Paintsville, Ky.	1,020,000	Co-Mo Electric Cooperative, Tipton, Mo.
1,000,000	Woodruff Electric Co-op, Forrest City, Ark.	1,015,000	Appalachian Electric Co-op, Jefferson City, Tenn.
160,000	Bossier REMC, Bossier City, La.	1,390,000	Empire Electric Association, Cortez, Colo.
845,000	Hot Springs Rural Electric Ass'n., Thermopolis, Wyo.	1,265,000	San Miguel Power Association, Nucla, Colo.
690,000	Southern Pine Electric Co-op, Brewton, Ala.	50,000	Alger-Delta Co-op. Electric Ass'n., Gladstone, Mich.
25,000	South Crawford Rural Electric Co-op, Denison, Iowa	440,000	Little River Electric Co-op, Abbeville, S. C.
495,000	Cooperative Light and Power Association of Lake County, Two Harbors, Minn.	335,000	Mid-Carolina Electric Co-op, Lexington, S. C.
820,000	Jackson Electric Membership Corp., Jefferson, Ga.	625,000	Tri-County Electric Co-op, Mt. Vernon, Ill.
285,000	New Era Electric Cooperative, Athens, Texas	1,025,000	Florida Keys Electric Co-op, Tavernier, Fla.
4,962,000	Sacramento Municipal Utility Dist., Sacramento, Calif.	725,000	Sam Houston Electric Co-op, Livingston, Texas
448,000	Delta-Montrose Rural Power Lines, Delta, Colo.	1,035,000	Intermountain Rural Electric Ass'n., Littleton, Colo.
50,000	Satilla REMC, Alma, Ga.	280,000	Pedernales Electric Co-op, San Marcos, Texas
50,000	KEM Electric Cooperative, Linton, N. D.	600,000	Desert Electric Cooperative, Twenty-nine Palms, Calif.
219,000	Continental Divide Electric Co-op, Grants, N. Mex.		
240,000	Wise Electric Cooperative, Decatur, Texas		
50,000	Roanoke Electric Membership Corp., Rich Square, N. C.		
50,000	Haywood Electric Membership Corp., Waynesville, N. C.		
400,000	Canochee Electric Membership Corp., Reidsville, Ga.		
578,000	Victory Electric Cooperative, Dodge City, Kans.		

TELEPHONE

\$ 128,000	Goodman Telephone Company, Goodman, Mo.
245,000	Star Telephone Company, Maringouin, La.
43,000	Home Telephone Company, Olive Branch, Miss.
292,000	Marion Rural Telephone Company, Philadelphia, Mo.
35,000	Hebron's Home Telephone Company, Hebron, Maine
289,000	Saco River Telegraph & Telephone Co., Bar Mills, Maine
340,000	Grand River Mutual Telephone Corp., Princeton, Mo.